

NEW YORK UNIVERSITY
Stern School of Business
Principles of Financial Accounting
Spring 2012

Instructor: Amal Shehata Email: ashehata@stern.nyu.edu Classroom: Tisch 200	Daytime Telephone: 646-528-9054 Office: KMEC 10-70 (10th fl) Class time: TR 11:00am-12:15pm
Office Hours: Thursdays 12:30 – 1:30pm and by appointment	TA Information: Name: Shritee Birla Email: sb2880@stern.nyu.edu TA Office Hrs: Wed 1:45 –3:15pm

Course Description:

This course provides an introduction to the fundamental concepts of financial accounting. The objective of the course is to help you become intelligent readers of the 4 financial statements: the balance sheet, income statement, statement of retained earnings and cash flow statement. Achievement of this goal requires an understanding of the basic principles that underlie accrual accounting, as well as an appreciation of the amount of judgment required in applying these principles. I will regularly refer to current events that show the impact of accounting in the business world. A solid understanding of accounting is one of the basic building blocks of the business world.

Course Information and Requirements:

- Our class time will be spent developing a deeper understanding of the material you have already read and homework problems you have completed independently; my lectures will focus on the more challenging concepts presented in your textbook and I will aim to present the “big picture” of how the concepts build upon each other and tie together; we will regularly solve problems together and I will refer to real world examples.
- Assigned readings and homework assignments should be completed **prior to** the relevant class session and selected problems will serve as a vehicle for class review.
- Homework assignments will only be collected when specifically noted, however, assignments will represent the material you should understand for quizzes and exams. **It is critical that you complete the assignments in order to learn the material.** Expect to spend 2-3 hours of preparation for each hour of class time on average.
- There will be periodic, short quizzes covering previously covered material. Quizzes will be announced in advance and will last approximately 10 minutes. Make-ups are not permitted but the lowest quiz score will be dropped.
- I will use Blackboard regularly for announcements, postings, homework and quiz submission so please make sure you are correctly registered.
- Attendance and class participation are expected and will be factored into your final grade (and your participation will make the class much more interesting for all of us!)
- Homework that is collected will be graded based on your effort, not on getting the right answers; please ensure that you clearly lay out your work and write your name and email address in the top right corner. This work is intended to be completed independently. You will receive a score of 0 (no effort), 1 (little effort), 2 (good effort).

Required Text and Material:

- Libby, Libby & Short, "Financial Accounting" 7th edition, Custom Edition for NYU
- The Jones Group (JG) Annual Report (provided by instructor)
- Bring your text and JG annual report to each class session.

Grading:

Exam I	25%
Exam II	25%
Final Exam	35%
Quizzes/HW	10%
Attendance/Participation/Class Preparation	5%

Grades determined following the Undergraduate Grading Guidelines for Core Courses:

25 – 35% A's: awarded for excellent work

50 – 70% B's: awarded for good or very good work

5 – 15% C's (or below): awarded for adequate or below work.

All exams are cumulative, closed book/note and there are no make-up exams.

Calculators are permitted (no computers, smartphones or blackberries).

Please note: the dates and assignments listed below are subject to change:

DATE	CHAPTER	ASSIGNMENT
January 24, 2012	Chapter 1: Financial Statements and Business Decisions, including supplement A	
January 26, 2012	Finish Chapter 1 and begin Chapter 2: Investing, Financing Decisions and the Balance Sheet	Chap 1: Questions: 9,18 E1-2, E1-4, E1-6, CP1-1 (use JG annual report)
January 31, 2012	Chapter 2: Investing, Financing Decisions and the Balance Sheet	Chap 2: Q3,MC3, MC7, E2-5, E2-7, P2-5, P2-6
February 2, 2012	Finish Chapter 2 and begin Chapter 3: Operating Decisions and the Income Statement	
February 7, 2012	Chapter 3: Operating Decisions and the Income Statement	Chap 3: M3-2, M3-3, M3-4, M3-5, M3-6, E3-7, P3-4
February 9, 2012	Finish Chapter 3 and begin Chapter 4: Adjustments, Financial Statements and the Quality of Earnings	
February 14, 2012	Chapter 4: Adjustments, Financial Statements and the Quality of Earnings	Chap 4: E4-6, E4-15, E4-18, E4-19, E4-20, P4-7
February 16, 2012	Finish Chapter 4	
February 21, 2012	Midterm 1	
February 23, 2012	Chapter 6: Sales Revenue, Receivables and Cash (including supplement on p. 304)	Chap 6: E6-3, E6-17, E6-19, E6-20, P6-3, P6-5, P6-9
February 28, 2012	Chapter 6: Sales Revenue, Receivables and Cash	
March 1, 2012	Chapter 7: Cost of Goods Sold and Inventory (including Supp A, but not Supp B or C)	Chap 7: E7-2, E7-5, E7-8, E7-11, E7-17, P7-5, P7-9

March 6, 2012	Chapter 7: Cost of Goods Sold and Inventory (including Supp A, but not Supp B or C)	
March 8, 2012	Finish Chapter 7 and begin Chapter 8: Property, Plant and Equipment; Natural Resources; and Intangibles	
(No class on 3/13 and 3/15) March 20, 2012	Chapter 8: Property, Plant and Equipment; Natural Resources; and Intangibles (including Supp on p. 418-419 and read CP8-9 on p. 449)	Chap 8: M8-2, M8-3, E8-5, E8-8, E8-12, E8-13, E8-22, P8-6, P8-10,
March 22, 2012	Chapter 9: Liabilities (including Supplement B and C)	Chap 9: E9-1, E9-3, E9-13, E9-15, E9-24, P9-4, P9-11 part d4 only
March 27, 2012	Chapter 9: Liabilities	
March 29, 2012	Finish Chap 9 and review	
April 3, 2012	Midterm 2	
April 5, 2012	Chapter 10: Bonds (including page 530 but not Supp A or B)	Chap 10: E10-9, E10-17, E10-19, E10-23, P10-7, P10-10,
April 10, 2012	Chapter 10: Bonds	
April 12, 2012	Chapter 10: Bonds	
April 17, 2012	Chapter 13: Statement of Cash Flows, including Supp A and B (not C)	Chap 13: E13-7, E13-11, E13-13, E13-15, E13-21, P13-4, P13-5
April 19, 2012	Chapter 13: Statement of Cash Flows	
April 24, 2012	Chapter 13: Statement of Cash Flows	
April 26, 2012	Finish Chap 13 and begin Chapter 11: Owner's Equity (including Supplement)	Chap 11: M11-9, E11-4, E11-10, E11-15, E11-18, E11-24
May 1, 2012	Chapter 11: Owner's Equity	
May 3, 2012	Review	
TBD	Cumulative Final Exam	